

From: 5600 - Seattle Region (UNDERDK)

Edited: 5/14/97 14:39

Subject: Winston No Bull

To: ROU's with Costco

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Attached is the information sheet that I presented to the Costco Corp. buying office on 5/14/97. I will have follow-up meetings with each Costco Region next week to ensure we receive assistance from them to make our Winston launch a successful one.

Please distribute this sheet to each sales representative calling on Costco. Make enough copies to leave one with each Costco building.

If I can answer any questions regarding Costco, please let me know.

Sincerely,

R M Allen

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COSTCO ACTION PLAN

FOR

"NEW" WINSTON BLEND

- 1. R. J. Reynolds will reintroduce Winston as an all natural cigarette.**
- 2. The new Winston will begin showing up at Costco outlets possibly as soon as June 2, 1997.**
- 3. DO NOT place the new Winston on the selling floor until the old Winstons (by brand style) are sold through. When each old style of Winston has sold through, replace with the new style Winstons.**
 - The R. J. Reynolds sales representative that calls on your building will make weekly calls to assist with rotation, etc.
 - The new style Winston will be in white cases for the first three months to assist us with proper rotation.
- 4. By August 4, 1997, the R. J. Reynolds sales representative will assist you in removing all old style Winstons from the selling floor and make arrangements to return them to Winston-Salem for full credit.**
 - Beginning August 4 R. J. Reynolds sales representatives will instruct all retail accounts to return old style Winstons to their wholesaler (Costco) for even exchange (carton for carton) for new style Winstons.
 - Please order new Winstons accordingly to handle the returned product.
 - Make arrangements with the R. J. Reynolds sales representative to return all old style Winstons by September 1st.